

MITSUBISHI CONSUMER ELECTRONICS AMERICA, INC.

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July 11, 1996

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. William F. Caton Acting Secretary Federal Communications Commission Room 222 1919 M Street, NW Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Re:

In the Matter of Advanced Television Systems and Their Impact Upon the Existing

Television Broadcast Service

Dear Mr. Caton:

Enclosed please find the original and 11 copies of the comments of Mitsubishi Consumer Electronics America, Inc., in the above-captioned proceeding. As indicated in paragraph 72 of the Commission's Notice, please convey personal copies of this comment to each Commissioner.

Thank you for your attention to this matter.

Very truly yours,

Jack Osborn

President

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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554



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FIFTH FURTHER NOTICE OF PROPOSED RULEMAKING

COMMENTS OF MITSUBISHI CONSUMER ELECTRONICS AMERICA, INC.

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President
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SUMMARY OF POSITION

Mitsubishi Consumer Electronics America, Inc. ("MCEA") respectfully submits the following comments to the Federal Communications Commission in response to the Commission's Fifth Further Notice of Proposed Rulemaking in the matter of Advanced Television Systems and Their Impact Upon the Existing Television Broadcast Service:

- 1. MCEA urges the Commission to adopt expeditiously the digital television standard developed by the Advanced Television Systems Committee and recommended by the Commission's Advisory Committee on Advanced Television Service ("ATSC standard") in its entirety by reference in regulations adopted by the Commission. Arguments that the Commission should excise the interlaced formats from the ATSC standard lack merit, and will impede the emergence of advanced television.
- 2. The Commission should rely on its existing authority to consider revisions or expiration of the regulation implementing the ATSC standard, and reject suggestions that the regulation should be subject to an arbitrary "sunset" or expiration date.
- 3. The Commission should rely on consumer preference and the competitive marketplace to determine receiver performance, and avoid performance standards for receivers.
- 4. The Commission should rely on voluntary industry processes to develop revisions to the ATSC standard or interoperability with computers, cable or other transmission media, based upon the platform of the extensible ATSC standard.

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of)	
)	MM Docket No. 87-268
Advanced Television Systems)	
and Their Impact Upon the Existing)	
Television Broadcast Service)	
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Fifth Further Notice)	
of Proposed Rulemaking)	
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COMMENTS OF MITSUBISHI CONSUMER ELECTRONICS AMERICA, INC.

Mitsubishi Consumer Electronics America, Inc. ("MCEA"), respectfully submits comments to the Federal Communications Commission in the above-captioned rulemaking proceeding.

I. MCEA'S INTEREST IN THIS PROCEEDING

MCEA is a U.S. corporation engaged in the manufacture and sale of consumer electronics products, including televisions, headquartered in Norcross, Georgia. MCEA manufactures televisions in facilities in Braselton, Georgia, and Santa Ana, California, and employs a total of 1400 American workers. MCEA is a subsidiary of Mitsubishi Electric Corporation of Japan, a global manufacturer of advanced electronics products.

MCEA is a member of the Advanced Television Technology Center, Inc., and of the Advanced Television Systems Committee, which developed the standard for digital television that has been recommended to the Commission by its Advisory Committee on Advanced Television Service ("ATSC standard"). MCEA generally endorses the

comments filed before the Commission by those organizations, as well as the comments filed by the Electronic Industries Association, Inc. MCEA files these comments to supplement the comments of these other organizations.

II. MCEA URGES THE COMMISSION TO ADOPT EXPEDITIOUSLY THE ATSC STANDARD IN ITS ENTIRETY

MCEA urges the Commission to adopt, expeditiously and in its entirety, the ATSC standard for digital television. The Commission has rightly described the ATSC standard as highly capable, flexible interoperable, and extensible. As a result, the ATSC standard will provide a platform that will promote competition in products, features and services, and thus maximize consumer choice.

By adopting the ATSC standard, the Commission will provide the certainty possible only through a single, national, mandatory standard. A national standard will stimulate the timely emergence of a market for digital televisions and digital television service, a stated goal of the Commission throughout these proceedings.

Absent a national standard, the emergence of digital television will be impeded.

Consumer confusion and uncertainty will chill consumer investment in new digital television equipment and services, and thus forestall consumer realization of the benefits of high quality digital television service. Broadcasters and manufacturers likewise will be deterred from the investments necessary to make digital television a reality by uncertainty over the size and strength of the digital television market.

The Commission should reject the arguments of certain companies that interlaced formats should be excised from the ATSC standard. The Grand Alliance has demonstrated already that text which has been compressed, transmitted and displayed in

interlaced format can deliver good performance. Incorporation of multiple formats provides flexibility for broadcasters as well as performance options for the consumer.

As recognized by the Commission, the ATSC standard represents a careful balance among diverse industries and interests, painstakingly achieved over a decade. Piecemeal implementation of the standard would upset that careful balance and risk destroying the consensus necessary to implement digital television service.

Digital broadcast service will become an integral part of the National Information Infrastructure (NII) because of its flexibility and extensibility. Consumers have long been promised the benefits of the NII, but they have been realized to date only sporadically. Timely introduction of digital television will help to maintain momentum toward realization of the NII set in motion by the Clinton Administration's commitment.

The Commission has long recognized the importance of broadcast television as a source of information and cultural influences. Digital television service should be viewed not only as a higher quality replacement for conventional broadcast service. It rather should be viewed as an enhancement of the role of television in our democracy because of the new services that will be available through this ubiquitous medium by virtue of the flexible ATSC standard.

For these reasons, MCEA urges the Commission to adopt the entire ATSC standard promptly. MCEA recommends that the Commission mandate in regulation the adoption of the ATCS standard by broadcast licensees, incorporating by reference ATSC Doc. A/53, ATSC Digital Television Standard, 16 Sep. 95 and ATSC Doc. A/52, ATSC Digital Audio Compression Standard (AC-3), 20 Dec. 95.

III. THE COMMISSION SHOULD NOT ARBITRARILY "SUNSET" THE ATSC STANDARD

The Commission has found consistently that the timely availability to consumers of high quality digital television service is in the public interest. In pursuit of the public interest, the Commission's inquiries have sought methods to encourage consumer acquisition of digital television equipment and service; investment by broadcasters in digital television broadcast equipment and programming; and investment by television manufacturers in research and development and manufacture of digital televisions.

If the Commission were to set an arbitrary expiration date or sunset of the ATSC standard, the Commission only would thwart the achievement of its long-held goals.

Consumers, broadcasters and manufacturers would be discouraged from making investments based on a standard with obsolescence guaranteed by regulatory fiat.

The Commission also has stated correctly that technological advances, especially in this new realm, are unpredictable. An arbitrary expiration date for the ATSC standard, however, necessarily presumes that technological advances may warrant replacement of the ATSC standard by that date.

Development of new standards or revisions to the ATSC standard are best left to voluntary industry processes that in turn are driven by technological advances and competition in the marketplace. For these reasons, MCEA opposes adoption of an arbitrary expiration or sunset for the ATSC standard.

IV. THE COMMISSION SHOULD RELY ON CONSUMER PREFERENCE AND THE COMPETITIVE MARKETPLACE TO DETERMINE RECEIVER PERFORMANCE, AND AVOID PERFORMANCE STANDARDS FOR RECEIVERS

MCEA opposes the adoption of performance standards for television receivers by the Commission. Performance standards could stifle innovation, and deny consumers a full range of options consistent with their preferences and financial ability. The television industry has been characterized by fierce competition on price, features, and quality. Strong manufacturer interest in digital television, as demonstrated by their commitment to the ATSC process, will assure that intense competition will continue in the emerging digital television market. Moreover, the ATSC standard is so flexible and extensible that manufacturers and service providers have innumerable permutations of features and services to offer consumers and assure fierce competition.

By mandating performance standards, the Commission would extend regulation beyond the ATSC platform that will enable competition into the features and functions that will be available to consumers. Such arbitrary interference in the market is unwarranted, will stifle competition, and will deny consumers a full range of choices.

V. THE COMMISSION SHOULD RELY ON VOLUNTARY INDUSTRY PROCESSES FOR REVISIONS AND EXTENSIBILITY

MCEA likewise believes that that the Commission ought to rely on voluntary industry processes for revisions to the ATSC standard and for extensions of the standard to permit interoperability with cable, other transmission media, information services or computers.

As noted by the Commission, technological innovation is unpredictable, and unnecessary regulation could interfere with technological advances. Industry processes are best suited to solving technical problems, achieving consensus, and implementing revisions to the ATSC standard that may become necessary to keep pace with technological advances.

Similarly, interoperability with cable, computers or other media can be a source of innovation, competition and expanded consumer options. Cross-industry groups already are addressing interoperability issues in constructive ways.

Respectfully submitted,

Mitsubishi Consumer Electronics America, Inc.

Jack Osh

President

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